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| **Participants** | | |
| **The Principal' s** | **The Consultant' s** | **The Contractor' s** |
| Mr. R. Alidadi |  | A.A. Shevyrev |
|  |  | N. A Bugorskaya |
|  |  | M.P. Fadeev |
|  |  | L.B. Kozhina |
|  |  | D.S. Romanchenko |
|  |  | A.V. Shapkin |
|  |  | A.V. Sukhodolov |

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| **№** | **Discussed issues** | **Proposed by:** |
| **1** | Increasing the amount of the advance payment up to 30% for some local manufacturers and sub-contractors | **The Principal** |
| **2** | Including the appropriate escalation clause in contracts with local Subcontractors to cover the risks of changes in both exchange rates and inflation rates | **The Principal** |
| **3** | Based on paragraph 4.5 of the draft contract which states: “The contract price is fixed and subject to adjustment only in the following cases and conditions:  “In case of entering changes by the Customer into Detail Design Documentation and the Technical Assignment under the condition if the extra works caused by it exceed ten percent from the Price of the Contract.” As such, it is implied that those changes demanded by ASE to be resulted in up to 10% increase in the respective contract price shall be borne by the Subcontractor. | **The Principal** |
| **4** | Necessity of reaching agreement on reducing the amount of the penalties from the Contractor’s proposed 30% to 10%; | **The Principal** |
| **5** | The text of a contract between ASE and Subcontractors authorizes ASE to suspend its contract with the Subcontractor "If the Principal decides to suspend any or all its obligations under the Contract." The referred phrase shall be omitted from the contract to be concluded with the local sub-contractors. | **The Principal** |
| **6** | Correlation warranty period of the project with Unit Provisional Acceptance. | **The Principal** |
| **7** | Adding a clause to subcontracts on the impossibility for local subcontractors to unilaterally suspend the performance of work at the Site, in offices and workshops where Supplies are made and Services are provided for any reason. | **The Contractor** |

| **№** | **Decisions made** | **Discussed** | **Decided** | **Deadline** | **Responsible Party** |
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| 1 | **The Contractor’s stance:**  In Attachments F&G, initialed and sent to the Principal for signing by letter No. 007/77/06/00871 dd. 30.12.2021, the amount of the advance payment is set:  - in contracts for the performance of a complex of the construction and erection works and services of preparatory and main period is 20% (Attachment F);  - in contracts for equipment and materials delivery - up to 30% of the equipment cost, at the same time not exceeding 20% limit on average for equipment and materials suppliers for the calendar year, in accordance with item 4 of the Minutes of PMM-13 dd. 18-19.12.2018.  **The Principal’s stance:** | ✓ | ✓ |  |  |
| 2 | **The Contractor’s stance:**  The issue of local currency escalation in sub-contracts in local currency will be agreed on the basis of “mirror” terms of escalation payment by the Principal to the Contractor  **The Principal’s stance:** | ✓ | ✓ | - |  |
| 3 | **The Contractor’s stance:**  The issue of the need to perform up to 10% of the work without changing the price of the contract with subcontractors in case of adjusting the Detail Design Documentation is a necessary insurance for ASE JSC under the terms of the Turnkey Contract. Subcontractors should take these works into account when deciding to take part in the tender  **The Principal’s stance:** | ✓ | ✓ |  |  |
| 4 | **The Contractor’s stance:**  In accordance with the regulatory requirements of the State Corporation, the amount of the penalty for subcontractors and sub-suppliers of the Contractor should not be limited.  The Contractor proposed a compromise solution: to set the maximum amount of the penalty in contracts with subcontractors / sub-suppliers in the amount of 30%.  **The Principal’s stance:** | ✓ | ✓ |  |  |
| 5 | **The Contractor’s stance:**  The Contractor considers that it is necessary to keep the item unchanged, since this item eliminates the Contractor’s risk in relation to possible claims of subcontractors against ASE JSC in the event of actual suspension of the fulfillment of its obligations by the Principal, for example, in the event of a prolonged absence of payments by the Principal, which is considered by the Contractor as a suspension.  **The Principal’s stance:** | ✓ | ✓ |  |  |
| 6 | **The Contractor’s stance:**  In Attachments F&G, initialed and sent to the Principal for signing by letter No. 007/77/06/00871 dd. 30.12.2021 establish the requirement for a warranty period in accordance with the decision of the Parties of the Minutes of PMM-13 dd. 18-19.12.2018.  Special adjustment of Attachments F&G is not required.  **The Principal’s stance:** | ✓ | ✓ |  |  |
| 7 | **The Contractor’s stance:**  The Contractor informs that in the text of the contracts with the subcontractors / suppliers, a provision will be included that if the subcontractors / suppliers intend to adjust the terms of contracts (prices, payments, availability of resources, etc.), the subcontractors/suppliers do not have the right to stop their activities, but are obliged to continue to perform works / supplies and, in parallel, conduct negotiations with ASE JSC to seek compromise solutions to the problems that have arisen.  **The Principal’s stance:** | ✓ | ✓ | - |  |
| 8 | Having considered the texts of draft Attachments F&G, the Parties recorded the disagreements on items 1-7 of the present MoM. In accordance with the procedure provided for in item 2 of the MoM of the top management of the Parties dd. 14.09.2022, in order to finally resolve these disagreements by the Project Managers and sign Attachments F&G, they are elevated to PMM-29, which will be held on 31.10.2022 – 02.11.2022. |  |  |  |  |

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| **Signed by** | | |
| **The Principal** | **The Consultant** | **The Contractor** |
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